Suggestions of Textile Companies regarding Post Quota Regime

1684. PROF. ALKA BALRAM KSHATRIYA: Will the Minister of TEXTILES be pleased to state:

(a) whether Textile Companies, bracing up for quota free regime in global textile trade beginning from January, 2005 have raised objections to Agriculture Ministry proposal to subsidise cotton exports in the wake of record cotton production this year;

(b) whether Agriculture Ministry had earlier proposed WTO compatible subsidy for export of cotton, as a measure to stabilize domestic cotton prices and avoid distress sale by farmers;

(c) whether ICMF has pointed out that export assistance would only enrich cotton traders who export rather than farmers; and

(d) if so, to what extent Government have agreed to the suggestions of textile companies?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) Due to higher cotton production globally as well as in India, cotton prices during the current cotton year (October 2004-September 2005), both in domestic as well as international markets, are ruling lower than the prices prevailed during the last cotton year. On 19.10.2004 the Ministry of Agriculture (Government of India) had organized a meeting to review the situation so as to ensure remunerative prices to the cotton growers. The representatives of the Indian Cotton Mills Federation and the East India Cotton Association alongwith others attended the meeting. It was decided in the meeting that, apart from carrying out the support price operations wherever required, possibilities may be explored for export of surplus cotton from the country.

(c) and (d) There was apprehension in certain quarters that benefits of export of cotton may not reach to the farmers. Therefore, it has been decided to give assistance to the Cotton Corporation of India towards handling, processing and internal transport for export of cotton out of the purchases made under Minimum Support Price only.

Textile units in Tamil Nadu

1685. SHRI N.R. GOVINDRAJAR: Will the Minister of TEXTILES be pieased to state:

(a) the number of textile units, powerlooms, handloom, synthetic yarn, readymade garments and hosiery items manufacturing units in Tamil Nadu;